

RECEIVE REPORT ON RULE 20A UNDERGROUND UTILITY DISTRICT AND PROVIDE DIRECTION TO STAFF

City Council Study Session
February 11, 2020

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Public Works Director



Objective

- Update City Council on Rule 20A
- Discuss recent events
- Provide direction to staff regarding Rule 20A underground utility district



Agenda

- I. Background of Rule 20A
- II. Why Are We Discussing Rule 20A?
- III. City's Completed Rule 20A Projects
- IV. Rule 20A Requirements
- V. Proposed Undergrounding Districts
- VI. Rule 20A Status and Options
- VII. Staff Recommendation
- VIII. Next Steps



Background of Rule 20A

- Since 1967, underground conversion in the State of California has been performed under California Public Utility Commission (CPUC) Rule 20 (Parts A, B and C)
- Rule 20A is funded by PG&E
- PG&E allocates Rule 20A work credits to communities for financing of overhead electric infrastructure to underground infrastructure
 - Undergrounding of distribution lines in neighborhood
 - Based on formula to distribute work credits proportionally on the number of customer accounts (Approx. \$150,000)

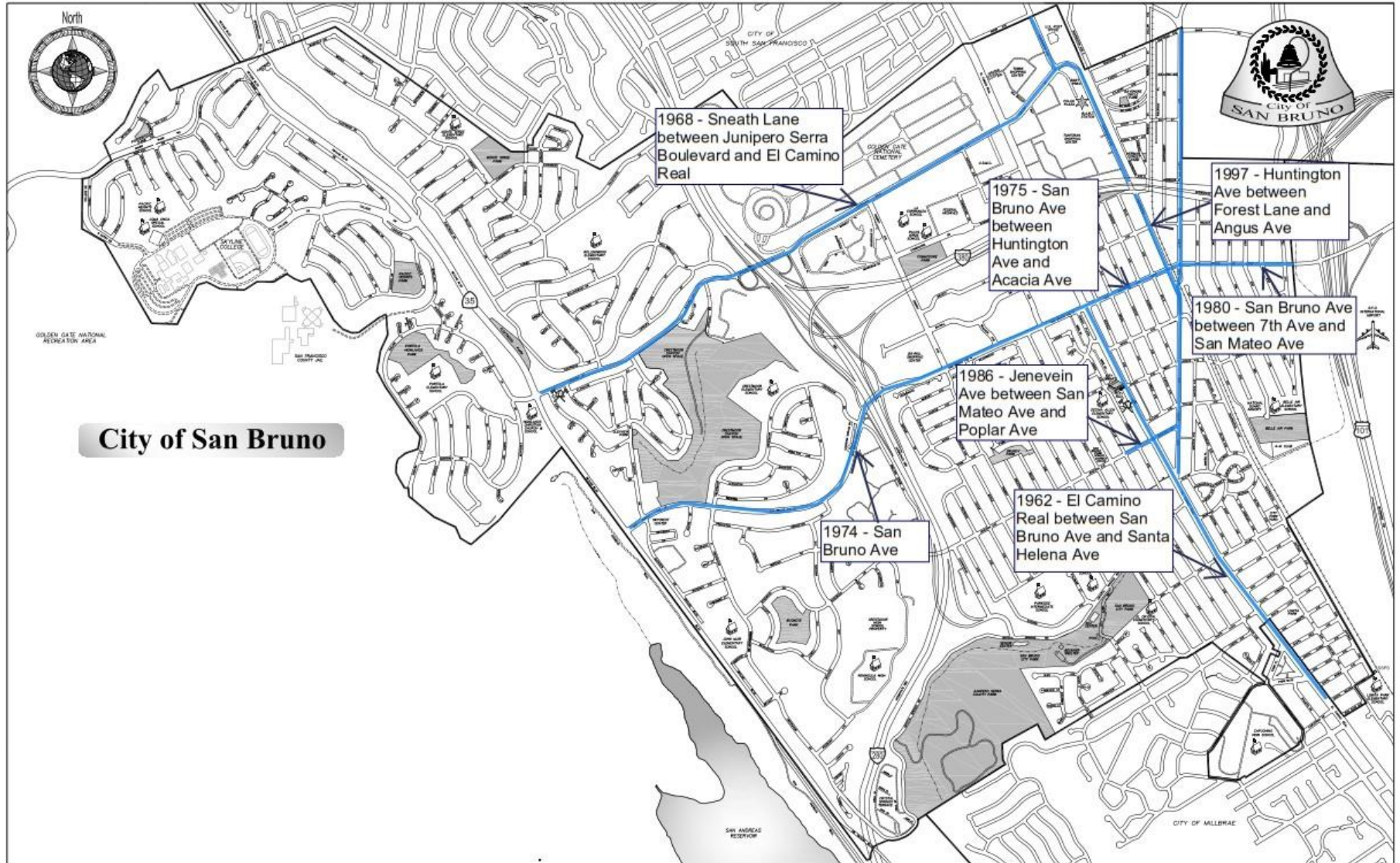
Background of Rule 20A Continued

- Purpose of undergrounding the utilities:
 - Enhanced aesthetics
 - Improved service reliability
 - Greater public safety
- City Municipal Code Chapter 8.28 (Underground Utilities Facilities)
- City must identify project in the public interest and pass a resolution forming an underground district
- City may use the accrued Rule 20A work credits to underground facilities
- City may borrow forward future work credit allocations for a maximum of five years from PG&E

Why Are We Discussing Rule 20A?

- CPUC passed Resolution E-4971 which will transfer Rule 20A work credits from inactive cities to City of Live Oak
- PG&E to reallocate \$554,000 of unused work credits from communities that have not participated in the Rule 20A program over the past eight years to the City of Live Oak
- Estimated transfer of \$29,272 from San Bruno
- To avoid the transfer, the City has until March 11, 2020 to become active. Must satisfy the following:
 1. Formally adopt an undergrounding district; or
 2. Started or completed construction of an undergrounding conversion project within the last 8 years, defined as 2011 or later; or
 3. Received Rule 20A allocations from the utility for only 5 years or fewer due to recent incorporation.

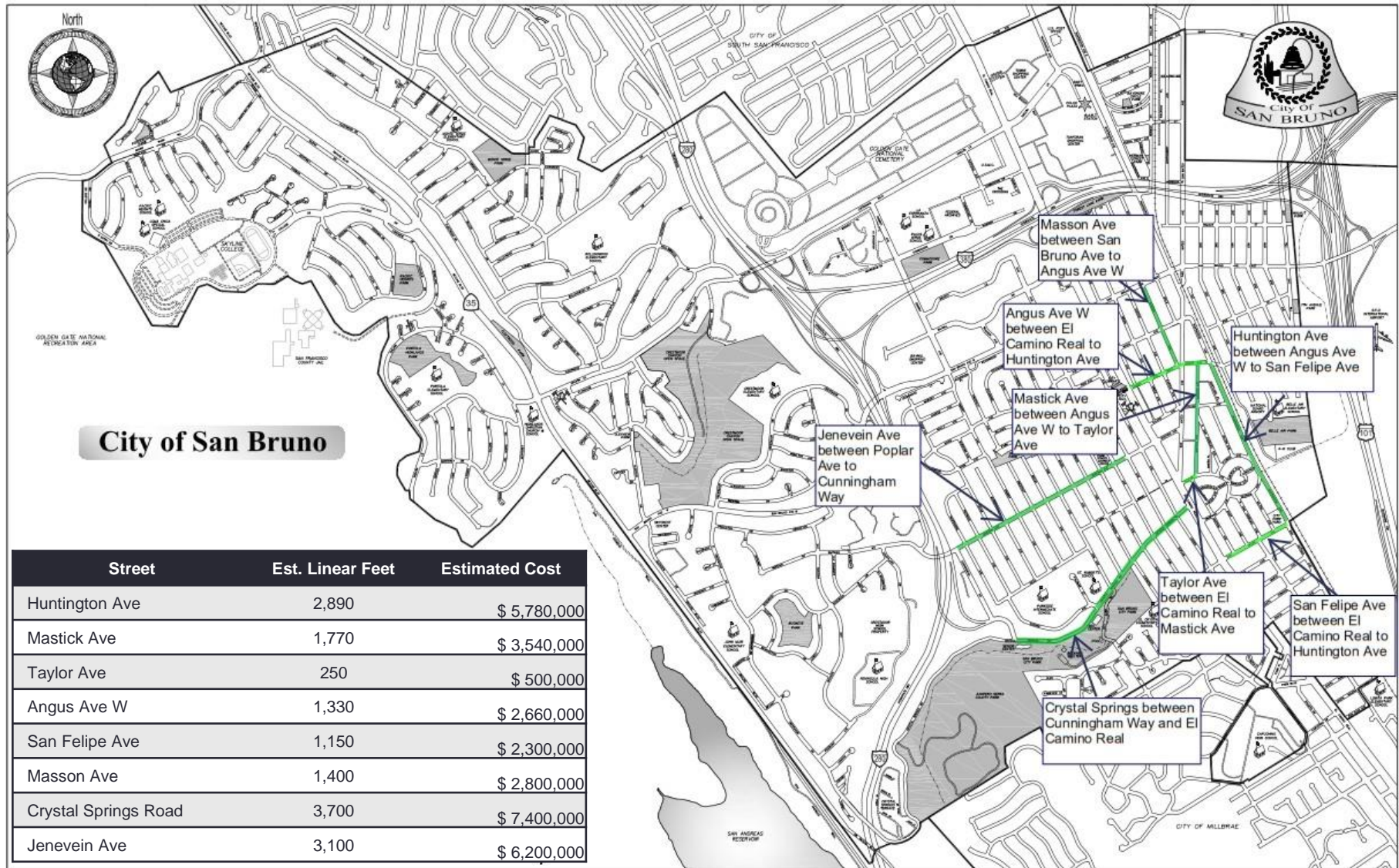
City's Completed Rule 20A Projects



Rule 20A Requirements

- The undergrounding district must be in the general public interest for one or more of the following reasons:
 1. Such undergrounding will avoid or eliminate an unusually heavy concentration of overhead electric facilities;
 2. The street, road or right-of-way is extensively used by the General Public and carries a heavy volume of pedestrian or vehicle traffic;
 3. The street, road or right-of-way adjoins or passes through a civic area, public recreation area or an area of unusual scenic interest to the public;
 4. The street, road or right-of-way is considered an arterial street or major collector as defined in the Governor's Office of Planning and Research General Plan Guidelines.

Proposed Rule 20A Underground Districts



Rule 20A Status

- As of November 30, 2019, the City has 6,114,211 of Rule 20A Work Credits

Work Credit Status for City of San Bruno	
Account Balance as of 11/30/19	\$6,114,221
2019 Allocation	\$149,908
Work Credit Reallocation to City of Live Oak	\$(29,272)
Project(s) Deducted from Account Balance	0
Projected Account Balance for 3/11/20	\$6,084,949

Rule 20A Options

1. Do nothing
2. Establish an underground utility district(s) to convert overhead electric infrastructure to underground infrastructure.
 - Avoidance of transferring the City's Rule 20A work credits by forming an active undergrounding-district
3. Unallocated Rule 20A credits can also be traded or sold to interested communities. The City could expect to receive approximately 50% on the dollar for the funds.

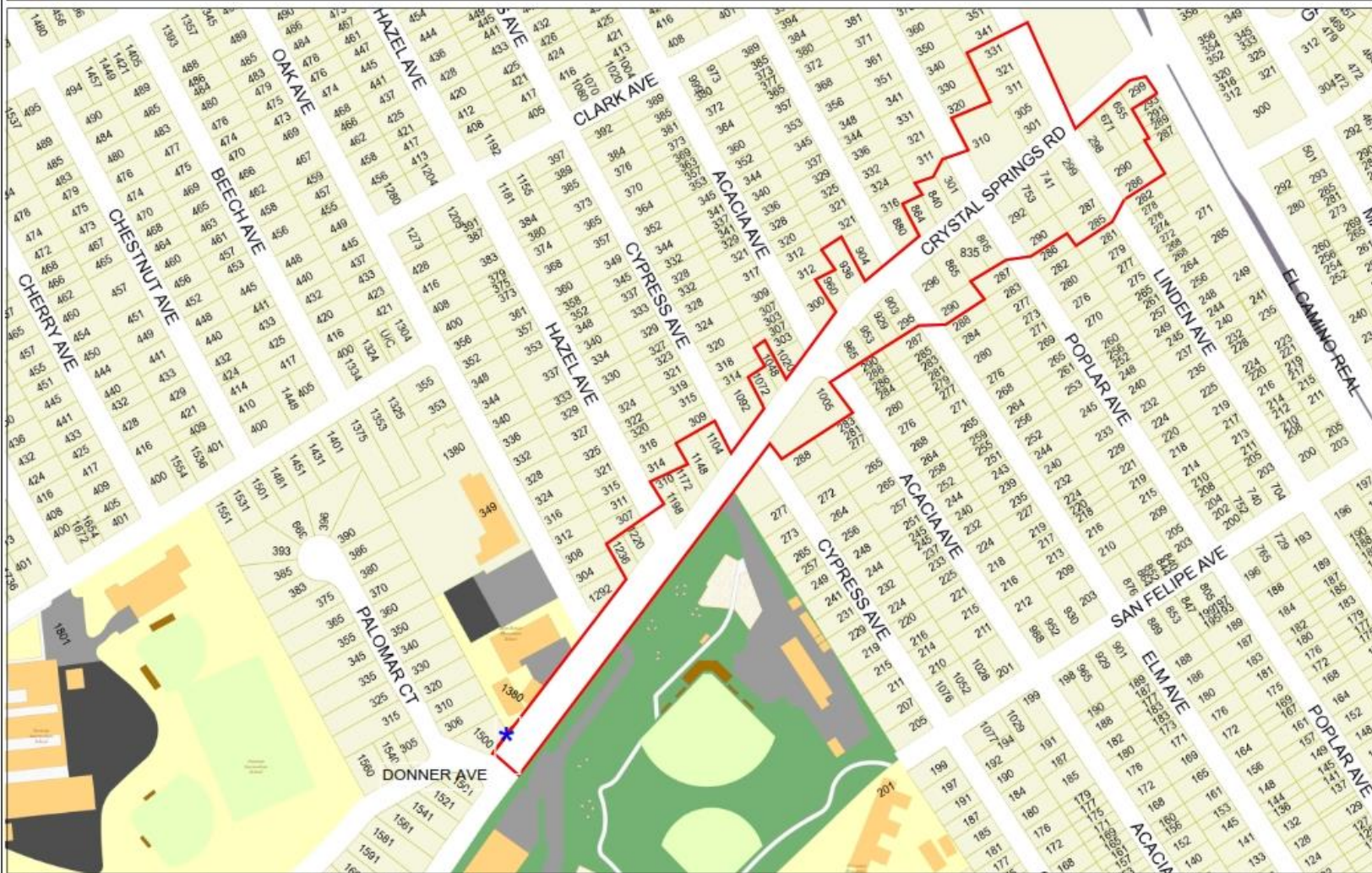
Staff Recommendation

- Establish undergrounding district along Crystal Springs Road between Cunningham Way and El Camino Real
- Meets all of PG&E's criteria
 - Heavy electric facilities
 - Heavy ped and vehicle traffic
 - Adjoins public recreation area
 - Arterial street
- Approximately 3,700 feet
- Total cost: \$7,400,000





Attach 2 - Proposed Underground Project on Crystal Springs Road between Donner Ave and El Camino Real



Legend

Underground Project Limits

★ Utility pole will not be undergrounded and kept as is

1:2,600



Notes

This map is a user generated static output from an internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION

433.3 0 216.67 433.3 Feet
NAD_1983_StatePlane_California_III_FIPS_0403_Feet
City of San Bruno Information Services

Next Steps

- Hold public hearing on February 25 to establish an undergrounding district
- Staff will publish notice of public hearing in advance of Council meeting
- Staff will send letters to specific property owners impacted by the potential establishment of district and request them to attend the Council meeting

QUESTIONS?

